SOUTH AMERICA AND THE PANAMA CANAL

Preparations Being Made to Take Advantage of New Channel of Commerce

A Colon (Panama) dispatch says:—Owing to the near approach to completion of the Panama Canal, all South America is stirring itself to take advantage of the new channel of commerce. Reports from half-a-dozen important centres in the southern continent tell of unusual activity.

The Chilean Government has awarded a contract to S. Pearson and Sons, of London, for improvements at Valparaiso, one of the best harbors in the world. The new docks are to be of massive construction and thoroughly modern in every respect. In addition, the steamship line owned by the Republic of Chile, the South American Steamship Company, is about to increase the number of its vessels by six fast liners, to ply between Valparaiso and New York. The company for some years has maintained a regular service between Valparaiso and the West Coast of Panama.

Commercial Artery to Feed Canal.

Peru is another country that expects to reap a rich harvest from canal trade. The Peruvian Government now operates a line of vessels between the ports of that country and Panama. It has at Callao a fine dry-dock, which brings much repair work to that port. Announcement is made that a new Peruvian railroad soon will be started. It will run over the Andes, and tap the rich region around the headwaters and tributaries of the Amazon. The road will connect at Corro de Pasco with the line now extending to Callao, thus furnishing another great commercial artery to feed the canal traffic.

The Egyptian Government has issued a report containing statistics of the traffic through the Suez Canal last year, and in view of the probable early completion of the Panama Canal, the figures have peculiar interest. The figures show that the proportion of British tonnage passing through the canal continues to increase, as it has done to a marked degree in the last two or three years. The British net registered tonnage represents 63.7 per cent. of the whole. The predominance of British mercantile tonnage over shipping of other nationalities is seen below:—

Nationality.	Vessels.	Net Registered Tonnage.	% of Total 1911.	% of Total 1910.
United Kingdom	3,036	9,501,100	63.7	62.5
Germany	662	2,250,888	15.1	15.2
Holland	278	823,330	5.5	5.5
France	231	725,900	4.9	5.4
Austria-Hungary	180	502,782	3.4	3.8
Japan	81	307,458	2.1	2.3
Russia	112	247,909	1.7	1.7
Italy	83	171,886	1.1	1.3
Denmark	41	86,863	0.6	0.6
Sweden	28	77,150	0.5	0.4
Spain	26	62,252	0.4	0.4
Turkey	50	61,829	0.4	0.2
Norway	24	46,233	0.3	0.3
Other countries	26	38,855	0.3	0.4
Total	4,858	14,904,475	100	100

Germany is second on the list, and has a tendency to lose business, exhibited also in the figures for earlier years. French, Austro-Hungarian, and Japanese tonnage are also comparatively less important. Italian shipping has declined, while Turkish vessels are more than twice as prominent. The only other country which shows a marked increase is Sweden. The figures indicate that while the chief competitors of Great Britain are either losing ground, or only just maintaining their position, relatively to the total tonnage passing through the canal, the British mercantile marine is improving its lead.

Protest from Great Britain.

A dispatch from Washington states that Great Britain has asked that the pending bill for the operation of the Panama Canal be deferred until the matter is considered diplomatically. It is thought this action is taken on account of the clause in the bill which provides that the President may in his discretion authorize free tolls or reduced tolls for American ships. The principle of equal tolls or no tolls has been affirmed in many treaties between the United States government and Great Britain, and American and foreign vessels entering the harbors of New York, San Francisco, New Orleans, and other United States ports. Great Britain may assert that the article as to tolls must be construed as meaning that there are no free tolls on American vessels passing through the Panama Canal unless all foreign vessels shall likewise pass through free, and that whatever rate of toll be fixed as chargeable to vessels of foreign countries, the same and no other rates shall be applied to American vessels.

A series of articles on Canada and the Panama Canal will begin in next week's Monetary Times.